



City Councilmember

Carl DeMaio

Rancho Bernardo Fire Debris Removal Fact Sheet

- The Witch Creek and Guejito fires destroyed 365 homes in the City of San Diego in October of 2007. The City of San Diego did not have a plan in place for fire debris removal and rushed to hire contractors to help residents with the clean-up. Some residents utilized the city contractors, others utilized insurance-selected contractors.
- Fire debris removal cost the City of San Diego: **\$1,636,303**. The original cost was expected to only be **\$658,000**. Individual residents using city contractors did not have to pay for the debris removal – the government picked up the entire tab. The federal government (through FEMA) reimbursed the city for more than 90% of the cost of the disaster. Total cost of cleanup cost: **\$9,400,000**.
- Contractors' average bills of **\$83,400** far exceeded an initial estimate of **\$28,000** per home. Some bills **cost almost nine times** what privately retained contractors charged to clear nearly identical lots. Largest individual bill from contractors was **\$435,463**.
- Contractors allegedly removed excessive amount of “debris” to increase their tonnage numbers. The City Auditor discovered several instances in which the contractors submitted inaccurate invoices to the City.
- The federal government declined to pursue a case against the contractors. Because the city's costs were largely reimbursed, any “recovery” of funds via a lawsuit would largely be returned to the federal government, but the cost of the litigation would be paid by the city. Due to the prospect of high expenses for little reward, the City Council was poised to drop the case.
- Councilmember DeMaio proposed a solution whereby outside counsel on a contingency basis would pursue the case – and won City Council backing to proceed. The case went to mediation in March – and the city and the contractors agreed to the settlement.

Settlement Will Recover \$900,000 in Taxpayer Money